GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:5270
ANSWERED ON:14.05.2007
FDI IN AGRICULTURAL SECTOR
Mondal Shri Abu Ayes

Will the Minister of AGRICULTURE be pleased to state:

(a) the policy framed and the action plan chalked out with regard to Foreign Direct Investment (FDI) in agricultural sector;

(b) whether the Government has decided to keep all the products of the sector in the lists of `Rest Commodities`;

(c) if so, the details thereof and the reasons therefor; and

(d) the steps proposed to ensure the safety and Patent Rights of Indian Products?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA)

(a) to (c): Foreign Direct Investment (FDI) upto 100% on the automatic route in Floriculture, Horticulture, Development of Seeds, Animal Husbandry, Pisciculture, Aquaculture, Cultivation of vegetables and mushrooms, under controlled conditions and services related to agro and allied sectors, is permitted. FDI upto 100% with prior Government approval is also permitted in tea plantation subject to divestment of 26% equity in favour of Indian partner / Indian public within a period of five years; and prior approval of the State Government concerned in case of any future land use change. Besides the above, FDI is not allowed in any other agriculture sector/activity.

(d): Information is being collected and will be laid on the Table of the House.